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BEFORE THE  
Federal Communications Commission  
WASHINGTON, D.C.

In the Matter of	)	
	)	
Application of BellSouth Corporation,	)	CC Dkt No. 98-121
BellSouth Telecommunications, Inc., and	)	
BellSouth Long Distance, Inc.	)	
Pursuant to Section 271 of the	)	
Communications Act of 1934, as	)	
amended, To Provide In-Region	)	
InterLATA Services to Louisiana	)	

**SPRINT COMMUNICATIONS COMPANY L.P.'S  
REPLY TO BELL SOUTH'S OPPOSITION**

Sprint Communications Company L.P. ("Sprint"), by its attorneys, hereby briefly replies to the Opposition<sup>1</sup> filed by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc. (together, "BellSouth") to Sprint's Petition for Reconsideration.<sup>2</sup> Since BellSouth's position only weakens upon further argument, Sprint respectfully requests the Commission to reconsider its Order<sup>3</sup> as outlined in the Sprint Petition.

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<sup>1</sup> See BellSouth Opposition to Petitions of AT&T and Sprint for Reconsideration and Clarification, CC Dkt. No. 98-121 (Nov. 25, 1998) ("BellSouth Opposition").

<sup>2</sup> Sprint Petition for Reconsideration and Clarification, CC Dkt. No. 98-121 (Nov. 12, 1998) (the "Sprint Petition" or the "Petition").

<sup>3</sup> Application of BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Louisiana, CC Dkt. No. 98-121, *Memorandum Opinion and Order* (rel. Oct. 13, 1998) ("Order").

BellSouth first paints a caricature of Sprint's request that the Commission clarify that the new procedures set forth in the Order are not intended to shift improperly the burden of proof away from the BOC applicant. BellSouth seems to be in agreement that the burden must not be shifted.<sup>4</sup> Instead, BellSouth accuses Sprint of dilatory intent by supposedly arguing against a BOC's ability to incorporate by reference earlier submissions by the BOC found to be in compliance by the FCC. But Sprint did not take issue with the Order's ruling that future 271 applications be allowed to incorporate by reference; Sprint simply pointed out that under some conditions there may be changes in circumstance that would require new findings by the FCC. Sprint identified two instances where this could occur: where the BOC had in its possession performance measure data reflecting a changed level in performance, and where the law defining the relevant BOC obligation had changed. BellSouth argues that not "any change in law trumps a prior finding of compliance."<sup>5</sup> Of course not; Sprint advocated only for relevant changes in law. Further, if a BOC's performance of its obligations has worsened, that fact is highly relevant to the new 271 proceeding and the BOC should have a duty to disclose that fact. Once Sprint's procedural points are understood rather than distorted, it would appear that either in fact BellSouth does not disagree with them, or that it has at least declined to answer them.

BellSouth's Opposition next takes issue with Sprint's Petition seeking reconsideration on BellSouth's duty to permit jurisdictionally mixed traffic on the same trunks. BellSouth accuses

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<sup>4</sup> BellSouth Opposition at 2. Similarly, Ameritech in its procedurally improper comments concedes that the burden cannot be shifted. See Comments of Ameritech on Petitions for Rehearing and/or Clarification, CC Dkt. No. 98-121 at 7 (Dec. 15, 1998).

<sup>5</sup> BellSouth Opposition at 3.

Sprint of trying to select among state PSC precedents, adhering to some but not others. But this response has no application to the issue of fact here: the question of whether it is technically feasible for BellSouth to permit jurisdictionally mixed traffic. As an issue of fact, since BellSouth has conceded that point in some fora, it is bound by that concession here. BellSouth does not claim that the technical feasibility of carrying jurisdictionally mixed traffic in fact varies from one jurisdiction to another.

But the most egregious of BellSouth's responses lies in its treatment of its contract service arrangement ("CSA") resale obligations. BellSouth's Opposition to Sprint's Petition on the issue of CSA resale is misleading. In its Petition, Sprint identified a material procedural defect in the Commission's Order that approved BellSouth's limitation of resale of CSA's only to "similarly situated" end users:

In its reply comments, *for the first time in this proceeding*, BellSouth came forward to articulate a new requirement -- absent from its SGAT or any interconnection agreement -- that resellers may not resell to any end user unless these end users are demonstrated to be 'similarly situated' to the original end user . . . .<sup>6</sup>

Sprint noted that prior to BellSouth's reply, neither Sprint nor any other member of the public had notice of BellSouth's position. Though the Commission stated it would not strike portions of BellSouth's submission subject to AT&T's motion to strike -- which included references to this issue -- it also stated it would not rely upon any part of submissions filed subsequent to the

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<sup>6</sup> Sprint Petition at 6-7 (emphasis in original) (citing BellSouth Reply Comments at 82 -- "BellSouth allows CLECs to resell CSAs not only to the customer for whom the CSA was originally intended, but also to other end users who are 'similarly situated' to the original end user. If a CLEC's customer has similar usage patterns with respect to quantity, time, type and cost of service to the original end user, BellSouth will permit the CLEC to resell the original end user's CSA to that customer.") (citing Varner Reply Aff. ¶ 44 [sic]).

Application to find BellSouth in compliance with any checklist item.<sup>7</sup> In the Order, however, the Commission did just that, citing only to BellSouth's Reply Comments and the Varner Reply Affidavit to affirm BellSouth's "similarly situated" limitation.<sup>8</sup>

BellSouth asserts in its opposition that "[i]n its Application, BellSouth addressed the issue of reselling CSA's, including resale to customers that are not similarly situated."<sup>9</sup> This is simply incorrect. BellSouth's "support" for this proposition is a cite to several sources, not one of which describes the existence of a "similarly situated" limitation. These sources do nothing more than confirm Sprint's analysis that BellSouth never mentioned this limitation until its reply. See BellSouth Br. at 2 ("BellSouth's contract service arrangements are now available for resale in Louisiana at the wholesale discount, under the same terms and conditions offered to BellSouth end users."); Varner Aff. ¶ 202(4) ("Contract Service Arrangements are available for discounted resale at the same terms and conditions offered to BellSouth end users."); SGAT § XIV(C)(3)(App. C, Tab 144) ("BellSouth contract service arrangements are available for discounted resale at the same terms and conditions offered to BellSouth end users."); AT&T Interconnection Agreement § 24.3 (App. C, Tab 200) ("AT&T shall only offer a promotional rate obtained from BellSouth for resale to customers who would qualify for the promotion if they

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<sup>7</sup> See Order at ¶ 368.

<sup>8</sup> See Order at n. 995 and accompanying discussion (citing BellSouth Reply Comments at 82-83, Varner Reply Aff. ¶ 51).

<sup>9</sup> BellSouth Opposition at 11 (citations omitted).

received it from BellSouth.")<sup>10</sup> The relevant pages of these sources are attached to this pleading as Exhibit A.

In light of the conclusive facts presented here, BellSouth's opposition is irresponsible. For the reasons stated in Sprint's Petition, the Commission must vacate the portion of the Order allowing the CSA restriction and finding BellSouth to have complied with checklist item xiv.

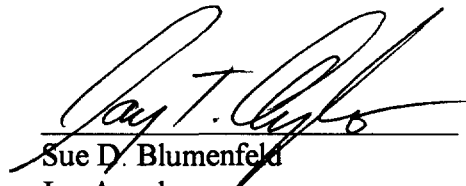
### CONCLUSION

Sprint respectfully requests the Commission to reconsider its Order as outlined in the Sprint Petition.

Respectfully submitted,

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ITS ATTORNEYS

Dated: December 28, 1998

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<sup>10</sup> At best, only the language of the BellSouth-AT&T interconnection agreement could be read to hint at a "similarly-situated" limitation. It is in any event ambiguous and buried in BellSouth's voluminous application filing, contrary to FCC requirements. See Revised Procedures For Bell Operating Company Applications Under Section 271 Of The Communications Act, Public Notice at 3 (Sept. 19, 1997) ("The Commission need not sift pleadings and documents to identify arguments that are not stated with clarity.") (citation omitted).

## **CERTIFICATE OF SERVICE**

I, Catherine M. DeAngelis, do hereby certify that on this 28th day of December, 1998, copies of the foregoing "Sprint Communications Company L.P.'s Reply To BellSouth's Opposition" were mailed, first class postage prepaid, unless otherwise indicated, to the following parties:

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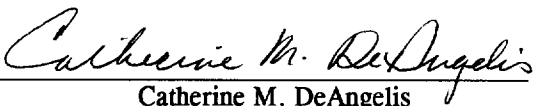
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A

## EXHIBIT A

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of  
Second Application by BellSouth  
Corporation, BellSouth Telecommunications,  
Inc., and BellSouth Long Distance, Inc., for  
Provision of In-Region, InterLATA Services  
in Louisiana

CC Docket No. \_\_\_\_\_

To: The Commission

**BRIEF IN SUPPORT OF SECOND APPLICATION BY BELL SOUTH  
FOR PROVISION OF IN-REGION, INTERLATA SERVICES IN LOUISIANA**

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*Counsel for BellSouth Telecommunications,  
Inc.*

July 9, 1998

PSC's 20.72 percent wholesale discount falls well within the Commission's now-defunct pro., range. 47 C.F.R. § 51.611 (overruled).

Addressing a concern of this Commission, see South Carolina Order, 13 FCC Rcd at 657-63. ¶¶ 212-224, BellSouth's contract service arrangements are now available for resale in Louisiana at the wholesale discount, under the same terms and conditions offered to BellSouth end users. Varner Aff. ¶ 202. BellSouth has revised its SGAT accordingly, and will agree to similar contract language with interested CLECs. Id. ¶¶ 9-10. If a reseller assumes all of the terms and conditions of a CSA, termination charges will not apply upon transfer of the CSA to the reseller. Id. ¶ 202.

The CLEC is the customer of record for all retail services purchased from BellSouth. Id. ¶ 203. BellSouth will take orders from the CLEC, bill the CLEC, and expect payment from the CLEC. Id. The CLEC will be the contact for ordering activities and repair calls. Id. In addition to continuing to accept presubscribed interexchange carrier changes directly from interexchange carriers, BellSouth now accepts such changes from the CLEC as the customer of record. Id.

CLECs in Louisiana have taken advantage of BellSouth's resale offerings on a large scale, serving approximately 45,000 local access lines in Louisiana on this basis. Wright Aff. at Conf. Ex. C.

Performance data are available to confirm that BellSouth offers its resale services on a nondiscriminatory basis. See Stacy Performance Aff. Ex. WNS-3.

### **C. Performance Measurements**

BellSouth has taken very seriously the Commission's request for "[c]lear and precise" measurements by which CLECs and regulators can confirm nondiscriminatory provisioning of network facilities and services. Michigan Order, 12 FCC Rcd at 20655-56, ¶ 209. Working with

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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In the Matter of	)	
	)	
Application by BellSouth Corporation,	)	CC Docket No. _____
BellSouth Telecommunications, Inc.,	)	
and BellSouth Long Distance, Inc., for	)	
Provision of In-Region, InterLATA	)	
Services in Louisiana	)	

AFFIDAVIT OF ALPHONSO J. VARNER  
ON BEHALF OF BELL SOUTH

STATE OF Louisiana  
New Orleans Parish

I, Alphonso Varner, being first duly sworn upon oath, do hereby depose and state as follows:

1. My name is Alphonso J. Varner. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. I am employed by BellSouth Telecommunications, Inc. as Senior Director for Regulatory for the nine-state BellSouth region.

I. PROFESSIONAL EXPERIENCE AND EDUCATION

2. I graduated from Florida State University in 1972 with a Bachelor of Engineering Science degree in systems design engineering. I immediately joined Southern Bell in the division of revenues organization with the responsibility for preparation of all Florida investment separations studies for division of revenues and for reviewing interstate settlements. Subsequently, I accepted an assignment in the rates and tariffs organization with responsibilities for administering selected rates and tariffs including preparation of tariff



available only to one category of subscribers, to a different category of subscribers. An example is the prohibition against reselling residence basic local exchange service to business customers at the lower residence rate.

200. Section 252(d)(3) of the Act describes the pricing standard for resold services. The Act describes an “avoided cost” standard such that wholesale rates are determined on the basis of retail rates excluding that portion of marketing, billing, collection and other costs that will be avoided by the local exchange carrier.

**B. Description of a Retail Service Offered by BellSouth**

201. Retail telecommunications services are telecommunications services that BellSouth provides to subscribers who are not telecommunications carriers. Retail services are available to CLECs at wholesale discounts as ordered by the LPSC. Discounts apply to intrastate tariffed service prices, except as noted under Section C below. The tariff in which a retail telecommunications service is offered contains not only the applicable retail rates for the service, but also the terms and conditions that have been approved by the LPSC.

**C. Resale of Retail Services as Addressed in BellSouth’s Statement**

202. BellSouth offers its tariffed retail telecommunications services to other telecommunications carriers for resale to their end user customers. A CLEC may resell BellSouth’s tariffed retail telecommunications services subject to the terms and conditions specifically set forth in approved interconnection agreements and in Section XIV of BellSouth’s Statement. See Exhibit AJV-2 for applicable agreement references. The following specific terms and conditions apply to the resale of certain services:

- (1) A reseller of BellSouth's retail services is prohibited from cross-class selling. For example, residential service may not be resold to business customers.
- (2) BellSouth offers for resale its promotions of 90 days or more at the promotional rate less the LPSC-approved wholesale discount. Promotions of less than 90 days are not available at the wholesale discount.
- (3) Grandfathered services may only be resold to subscribers who have already been grandfathered and may not be resold to a different group or a new group of subscribers.
- (4) Contract Service Arrangements ("CSAs") are available for discounted resale at the same terms and conditions offered to BellSouth end users. If a reseller assumes all of the terms and conditions of a CSA, termination charges will not apply upon transfer of the CSA to a reseller.
- (5) Lifeline service is available for resale. This service may be resold only to subscribers who meet the eligibility criteria that BellSouth would apply to its end users. CLECs are required to purchase BellSouth's basic local service at the tariffed rate, less the wholesale discount. CLECs must further discount basic local service to Lifeline customers with a discount which is no less than the minimum discount that BellSouth now provides, and Lifeline service is capped at the flat rate offered by BellSouth. BellSouth will charge the federally-mandated Subscriber Line Charge (currently \$3.50) to CLECs, and CLECs are required to waive the Subscriber Line Charge for the end-user. CLECs are responsible for recovering the Subscriber Line Charge in the same manner as BellSouth recovers these amounts for its Lifeline customers.



BellSouth Telecommunications, Inc. 504 528-7300  
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New Orleans, Louisiana 70130-1182

D. B. Hensby  
Regulatory Vice President

April 30, 1998

**BY HAND**

Mr. Lawrence St. Blanc  
Executive Secretary  
Louisiana Public Service Commission  
Post Office Box 91154  
Baton Rouge, Louisiana 70821-9154

Re: BellSouth's Proposed Revisions to Statement of Generally Available Terms and Conditions Approved in Order No. U-22252-A dated September 5, 1997

Dear Mr. St. Blanc:

Attached are the following revised pages of the Statement of Generally Available Terms and Conditions pages:

XIV. B & C Revised pages 21-22 (pages 23-26 renumbered as a result of these changes)

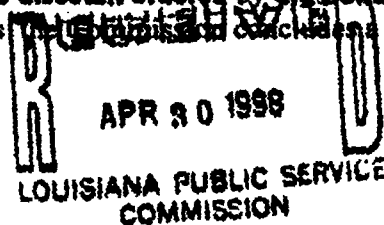
New XVI. Revised page 26 (pages 27-34 renumbered as a result of this addition with section numbers also changing)

Revised Index of Attachments

Revised Attachment H (Wholesale Discounts)

New Attachment I (Performance Measurements)

With this filing, BellSouth is proposing to modify its approved Statement of Generally Available Terms and Conditions in two respects. First, contract service arrangements ("CSAs") will be made available for discounted resale at the discount ordered by the Commission, as set forth in Revised Attachment H, until such time as the Commission concludes a proceeding to establish a CSA-specific resale discount.

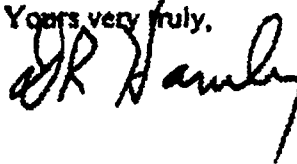


Page 2  
April 30, 1998

Second, BellSouth proposes to incorporate into the Statement of Generally Available Terms and Conditions the set of service quality performance measurements reflected in new Attachment I. These measurements are consistent with the Georgia Public Service Commission Staff Recommendation which was adopted by that Commission on December 30, 1997. They are divided into eight (8) categories: 1) Pre-Ordering and Ordering OSS; 2) Ordering; 3) Provisioning; 4) Maintenance and Repair; 5) Billing; 6) Operator Services (toll) and Directory Assistance; 7) E911; and 8) Local Interconnection Trunk Group Blockage.

Please acknowledge receipt of these pages by signing and returning the second copy of this letter.

Yours very truly,



DRH:spc

cc: Vicky McHenry, General Counsel-Legal

ACCEPTED:

Louisiana Public Service Commission  
Baton Rouge, LA April \_\_\_\_\_, 1998

Original Signed

By: \_\_\_\_\_  
Secretary

#118806

A. Local Dialing Parity. Local dialing parity means that CLEC customers will not have to dial any greater number of digits than BellSouth customers to complete the same call. In addition, CLEC local service customers will experience at least the same quality as BellSouth local service customers regarding post-dial delay, call completion rate and transmission quality.

**XIII. Reciprocal Compensation (47 U.S.C. §252(d)(2) and §271(c)(2)(B)(xiii))**

BellSouth provides reciprocal compensation under the following terms:

A. Mutual and Reciprocal Cost Recovery. BellSouth provides for the mutual and reciprocal recovery of the costs of transporting and terminating local calls on its and CLEC networks. BellSouth's charges for transport and termination of calls on its network are set out in Attachment A.

**XIV. BellSouth Retail Services Available for Resale (47 U.S.C. §§ 251(b)(1), 251(c)(4), 252(d)(3) and 271(c)(2)(B)(xiv))**

BellSouth provides retail telecommunications services for resale by CLECs under the following terms:

A. Retail services. Retail telecommunications services ("retail services") are telecommunications services that BellSouth provides at retail to subscribers that are not telecommunications carriers. N11/911/E911 are not retail services and are not available for resale.

B. Discounts. Retail services are available at discounts as ordered by the Commission. Discounts are set out in Attachment H. Discounts apply to intrastate tariffed service prices, including contract service arrangements, except that, pursuant to Commission directive, discounts do not apply to the following services:

~~1. Contract Service Arrangements. BellSouth contract service arrangements entered into after January 28, 1997 are available for resale only at the same rates, terms and conditions offered to BellSouth end users.~~

~~2. Promotions. Retail promotions offered for ninety (90) days or less will not be discounted. Promotions of more than ninety (90) days will be made available for resale at the promotional rate minus the applicable wholesale discount. These promotions may only be offered to customers who would qualify for the promotion if they received it directly from BellSouth.~~

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Discounts are not applicable to non-tariffed services or products, taxes or other pass-through charges such as the federal subscriber line charge and similar charges not included in intrastate tariffs.

C. Compliance with Tariff Conditions. Retail services must be resold in compliance with the applicable terms and conditions of offering that are contained in BellSouth's retail tariffs. Thus, for example, cross-class selling is prohibited. Pursuant to the Commission's orders, the following specific services must be resold as described below:

1. Grandfathered Services. Grandfathered services are available for resale. These services may only be offered to subscribers who have already been grandfathered. These services may not be resold to a different group(s) or a new group(s) of subscribers.

2. LinkUp/Lifeline Services. LinkUp/Lifeline services are available for resale. These services may be resold only to subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. CLECs must discount LinkUp/Lifeline services by at least the same percentage as that currently provided by BellSouth, and must comply with all aspects of all applicable rules, regulations and statutes.

3. Contract Service Arrangements. BellSouth contract service arrangements are available for discounted resale at the same terms and conditions offered to BellSouth end users. No termination charges will be assessed upon the assumption of a contract service arrangement by a reseller.

D. Quality of Resale Services. The services and service provisioning that BellSouth provides CLECs for resale will be at least equal in quality to that provided to BellSouth, or any BellSouth subsidiary, affiliate or end user. This will provide CLECs the capability to provide their customers with the same experience that BellSouth provides its own customers with respect to all local services. BellSouth will provide resellers with pre-ordering, ordering, maintenance and trouble reporting, and daily usage data functionality that will enable resellers to provide equivalent levels of customer service to their local exchange customers as BellSouth provides to its own end users.

E. Resale in Compliance with Telecommunications Act. Resale is subject to the interLATA joint marketing restriction contained in Section 271(e)(1) of the Act.

F. BellSouth Interaction with CLEC Customers. When interacting with CLEC resale customers on behalf of a CLEC, BellSouth employees will not market BellSouth services. BellSouth will provide parity in the treatment of CLEC customers with BellSouth customers. BellSouth will use generic leave behind cards with CLEC customers at no charge. BellSouth will use CLEC-branded leave behind cards provided

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July 21, 1997

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LOUISIANA PUBLIC SERVICE COMMISSION  
ADMINISTRATIVE HEARINGS DIVISION

Ms. Susan Cowart  
Louisiana Public Service Commission  
P. O. Box 91154  
Baton Rouge, LA 70821-9154

Re: Docket No. 22145  
Our File no. 700-026

Dear Ms. Cowart:

Enclosed please find an original and two copies of the Interconnection Agreement which has been prepared regarding the above entitled matter. Please return to me a stamped copy of same.

Pursuant to Section 43 of the General Terms and Conditions of the Agreement, both parties have agreed that neither party has waived any right of appeal or challenge to any Commission order in this docket.

Under Section 252(e) of the Telecommunications Act of 1996, the Commission must approve any arbitrated agreement within thirty (30) days from its submission.

With kind personal regards,

Very truly yours,

David L. Guerry

DLG/tp

Enclosures

cc: Robin Dunson  
Tom Kemble  
Mike Twomey

equal to the level that BellSouth provides or is required to provide by law and its own internal procedures.

**24. General Terms and Conditions for Resale**

**24.1 Primary Local Exchange Carrier Selection**

BellSouth shall apply the principles set forth in Section 64.1100 of the Federal Communications Commission Rules, 47 C.F.R. §64.1100, to the process for end-user selection of a primary local exchange carrier. BellSouth shall not require a disconnect order from the Customer, another carrier, or another entity, in order to process an AT&T order for Local Service for a Customer.

**24.2 Pricing**

The prices charged to AT&T for Local Service are set forth in Part IV of this Agreement.

**24.3 Restrictions on Resale**

With the exception of short-term promotions, defined as those promotions that are offered for a ninety (90) day period or less and which are not offered on a consecutive basis, BellSouth shall offer for resale at wholesale prices all telecommunications services that BellSouth provides at retail to non-telecommunications carriers. Short term promotions are not subject to mandatory resale. Long term promotions defined as those promotions that are offered for more than ninety (90) days, shall be offered for resale at the promotional rate less the wholesale discount. AT&T shall only offer a promotional rate obtained from BellSouth for resale to customers who would qualify for the promotion if they received it from BellSouth. The telecommunications services available for resale at the wholesale discount include grandfathered or obsolete services, and Lifeline or Link-up services, subject to the following:

- (i) AT&T may not obtain at a wholesale rate a telecommunications service that is available at retail to a specific category of subscribers and offer said service to a different category of subscribers (e.g. resale of residential service to business customers.)
- (ii) LifeLine/Link-up services shall be available for resale by AT&T only to those customers who are eligible to purchase such service directly from BellSouth. AT&T shall discount the Lifeline/Link-up services by at least the same percentage as provided by BellSouth and AT&T shall comply with all aspects of any